

Alltel Communications P.O. Box 1650 Lexington, Kentucky 40588

Daniel E. Logsdon Vice President External Affairs daniel.logsdon@Alltel.com ofc. 859-271-8324 fax 859-271-7823

July 22, 2005

Beth O'Donnell Executive Director Kentucky Public Service Commission 211 Sower Blvd PO Box 615 Frankfort, KY 40602 PUBLIC SERVICE COMMISSION

Dear Ms O'Donnell:

Attached is Alltel's response to the Commission's June 22, 2005 Order in Administrative Case No. 2005-00186. If you have any questions please contact me at 859.221.3770.

Sincerely,

Daniel Logsdon

Kentucky Public Service Commission Case No. 2005-00186 Dated June 22,2005

1. Does the utility offer a plan that is described, named, or marketed as "unlimited"? If yes, identify and describe the plan and provide copies of the tariff sheets on which the plans can be found.

Yes, Alltel Communications, Inc. ("Alltel") offers an unlimited bundle plan, which is described under Option 20 on the attached tariff sheet.

If the utility has an "unlimited" plan, are there use restrictions or other limitations on the plan? If yes, describe these restrictions and reference the utility's tariff.

The plan is only limited in that a customer subscribing to the plan agrees to abide by the terms of the plan for typical residential use as shown in Alltel's approved tariff, disclosed in advertising and explained by the customer service representative at the time of enrollment.

The current plan for residential unlimited long distance is not available for the following uses: Internet access, telemarketing, auto-dialed calls, multi-party conference calls, calls to 900 numbers, directory assistance, calling cards, collects calls, operator services, international calling, toll-free calling services, excessive usage or usage predominantly during business hours. Additionally, the residential plan is restricted to non-business use. Please see the attached tariff sheet.

How and when are customers or potential customers notified of the limitations on the unlimited plan? Describe the notification.

Alltel customer service representatives explain the parameters of the plan to an interested customer prior to enrollment in the plan. Additionally, Alltel informs customers that the plan is not available for any of the non-residential or other uses described above through the following means:

- Terms and conditions on print advertisements;
- Terms and conditions included with the long-distance welcome letter; and
- Alltel's tariff on file at the PSC.

Please see attached examples of print ads, sample customer service representative script, and longdistance welcome letter.

4. If third parties (agents, telemarketers, consignees, etc.) market, advertise, or otherwise offer end-users the utility's unlimited plan, explain how those "marketers" are required to verify compliance with the notice requirements.

Not applicable. Alltel does not use third parties to market this plan.

5. Assuming a customer has subscribed to an "unlimited" plan that has use limitations, is the customer notified when the limitations are exceeded? If yes, how is the customers notified?

If Alltel determines that a customer is using the plan for other than typical residential use as defined in the tariff, Alltel would contact the customer by telephone and offer them another toll plan. Alltel has not had an instance where this occurred.

6. How and when are customers notified that changes have been made to the plan?

Alltel would notify customers via bill message 30 days prior to the change in the case of new restrictions or rate increases. Otherwise, customers are notified when the change takes effect.

7. Are customers able to check the number of minutes they have used in order to determine if they will exceed the plan's limitations?

No. Customers have no need to check this information. As outlined in Alltel's approved tariff on file at the PSC, the restrictions on the plan are as follows: Internet access, telemarketing, auto-dialed calls, multi-party conference calls, calls to 900 numbers, directory assistance, calling cards, collects calls, operator services, international calling, toll-free calling services, excessive usage or usage predominantly during business hours. Additionally, the residential plan is restricted to non-business use. Please see the attached tariff sheet.

8. Explain why the utility markets, names, or describes a plan as "unlimited" when limits on the plan exists.

In July, as part of its national marketing strategy, Alltel launched a new unlimited long distance plan across the country that customers may use for typical residential use as defined in its approved tariff. Previously, Alltel offered a plan that was virtually unlimited from a customer perspective with 2500 maximum allowable minutes. It was virtually unlimited because no customer ever exceeded the maximum number of minutes. It was modified after a 6-month trial, which ended in May 2005, indicated that 2500 maximum allowable minutes were unnecessary for typical residential use.

9. Explain how the utility ensures that the unlimited plan is offered and the rates, terms, and conditions of service are applied without discrimination as required by KRS278.170(1).

The Connect Unlimited plan is available to all customers who qualify under the terms and conditions set forth in Alltel's approved IXC tariff.

10. Provide summary records of all complaints received by the utility regarding any unlimited plans offered in Kentucky since January 1, 2001. Include the date that the complaint was opened, customer class, description of complaint, description of complaint resolution, and date that the complaint was closed.

Alltel has received no complaints regarding its unlimited long-distance offering.

Attorney General's Data Requests Case No. 2005-00186

Please provide copies of all advertisements, regardless of medium, solicitations, and explanations
provided to the public to introduce, explain and/or market any plan labeled or otherwise described as
"unlimited". In the event that the medium used is audio or video in nature, a transcript of same is
deemed sufficient.

Please see attached materials.

2. Please provide a copy of any and all contracts signed by customers who have participated or are participating in a plan labeled or otherwise described as "unlimited". This request seeks only a copy of the blank contract(s), not the executed contract for every customer.

Customers purchase this service out of Alltel's tariff, which is attached.

5. General Services and Rates (Cont'd)

5.2 <u>Direct Dialed LDMTS Rates (Cont'd)</u>

5.2.19 Current Direct Dialed LDMTS Rates - Option 18 (Simple Six)

Simple Six offers direct-dialed intrastate and interstate LDMTS for a monthly fee to residential users who purchase certain bundled service plans. The plans could include such ALLTEL products as wireline, custom calling packages, and long distance.

The following rates are applicable for all times for calls made within the State of Kentucky where technically available.

Monthly Fee: \$2.00
Rate Per Minute: \$0.10
Calling Card Calls, Rate Per Minute (No Surcharge) \$0.35

This option is limited to existing customers at existing locations.

5.2.20 Current Direct Dialed LDMTS Rates - Option 19 (Default Plan A)

The following intrastate rate is designed primarily for residential customers of outbound intrastate LDMTS. This rate is applicable for all times for calls made within the State of Kentucky where technically available.

Rate Per Minute \$0.10
Calling Card Calls, Rate Per Minute (No Surcharge) \$0.35

Customers will automatically be placed on this plan if they do not specifically request any other LDMTS rate plan.

This option is limited to existing customers at existing locations.

5.2.21 Current Direct Dialed LDMTS Rates – Option 20 (Unlimited Bundle Plan)

The following intrastate unlimited plan is designed only for residential customers who subscribe to certain other ALLTEL bundled services. Customers are also required to subscribe to an ALLTEL unlimited interstate plan, in order to be eligible for this plan. This plan is for direct dialed residential voice use only and cannot be used for long distance Internet access, telemarketing or auto-dialed calling. Customer lines associated with educational institutions (colleges, universities, etc.) are not eligible for this plan. This plan does not include multiparty conference calls, calls to 900 numbers, directory assistance, operator services, collect calls, international calling and toll-free calling services. The per minute rate for ALLTEL calling card calls under this plan will be as stated below. Taxes, fees and other charges, including the Universal Service Fund fee, apply.

If the Company determines that usage is not consistent with typical residential voice service, includes excessive usage or usage predominantly during business hours the Company may immediately restrict use or change the customer's long distance plan to the Dime All the Time Plan. If a customer disconnects the minimum required components for the bundled service plans, the customer's account will be converted to the Dime All the Time Plan.

ALLTEL reserves the right to cancel or discontinue this plan at any time.

Monthly Fee, Unlimited Calling: \$10.00
Calling Card Calls, Rate Per Minute (No Surcharge) \$0.35

Effective: July 5, 2005

(C)

(C)

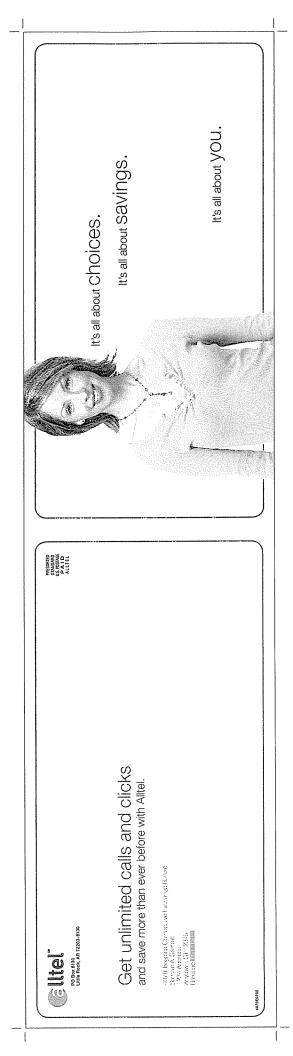
Issued: July 1, 2005

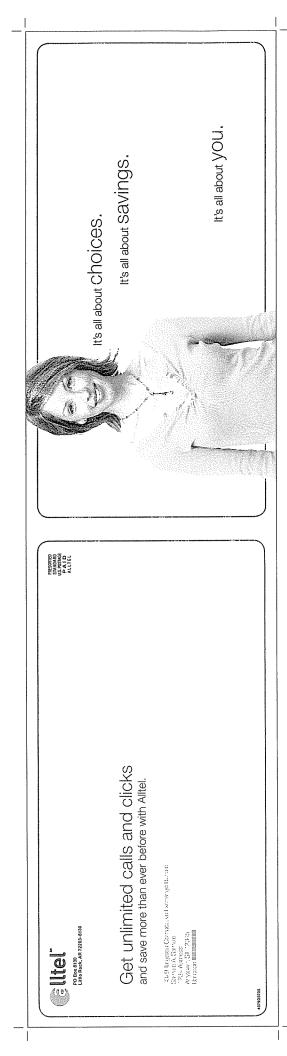
Vice President One Allied Drive Little Rock, AR 72202

CSR Script for Connect Unlimited

The Customer Service Representative informs new Connect Unlimited customers of the following information:

- The Unlimited Long Distance Bundle Package includes the following:
 - Access Line (R1)
 - A feature package
 - Unlimited intrastate and interstate long distance calling
- Customers must subscribe to all aspects of the bundle in order to receive the Unlimited Long Distance plan. If a customer breaks any aspect of the bundle, all rates will revert to the standard pricing for the specified exchange and the long distance rate will revert to the Dime All The Time Plan.
- Unlimited Long Distance is for typical residential 1-plus direct-dialed calls for voice use only. Unlimited Long Distance may not be used for Internet access, telemarketing, auto-dialed calls, multi-party conference calls, calls to 900 numbers, directory assistance, calling cards, collect calls, operator services, international calling or toll-free calling services. If Alltel determines that usage is not consistent with typical residential voice service, includes excessive usage or usage predominantly during business hours, Alltel may immediately restrict use or change your long distance plan to the Dime All the Time plan. If any required component of the service bundle is discontinued, the account will convert to the Dime All the Time plan
- If the customer signs up for the Unlimited Long Distance plan on a second line, the minutes will be shared across both lines.
- A customer may have two lines billed together and have an Unlimited Long Distance
 Bundle Package on each line, instead of having to share the Long Distance across both
 lines. The customer must subscribe to the R1, A feature package and the Unlimited Long
 Distance package on each of the lines to be eligible.
- Calls to Alaska, American Samoa, Guam, Hawaii, Northern Mariana Islands (Saipan), Puerto Rico, U.S. Virgin Islands are included in the Unlimited Long Distance minutes.





Get the services you need at prices you'll love.

prices, so you can get everything you need from we're offering you our best services at our best get the most out of every moment. That's why At Alitel, we're dedicated to making sure you a company that puts you first, including:

- Local Service Broadband
 - Long Distance
- Calling Features
 - And more!

UNLIMITED CALLS

Choose unlimited calling with Alltel Connect Unlimited.

For just \$49.95 a month or less, you'll receive:

- Unlimited Local Service
- Unlimited Long Distance • Caller ID
 - Call Waiting

And more!

Don't need unlimited long distance? Call us to learn about our other great calling plans and features!

More calls. More clicks.

every moment. More out of

Call 1-877-511-2700 to sign up for one or more of our services today!

As low as mode with Connect Unlimited.

Free router with built-in firewall features (with DSL agreement)

Free activation
 Free self-install kit
 Free parental control software

Sign up today for as low as \$19.95 a month and you'll also receive:

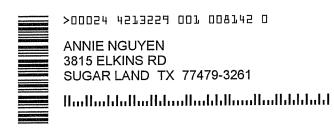
Pick a faster Internet connection with Alltel DSL.

UNLIMITED CLICKS

\$19.95 Curtebitangs

Stand Alone Monthly Price \$29.95

Maximum Download Speed 1.5Mbps



Dear: ALLTEL Valued Customer

Keeping people connected. For over 60 years we have been providing communications services that are easy to use with rates that are even easier to understand. With our reliable service and quality connections, the only thing you'll have to think about when you pick up the phone is what you're going to say. When you chose ALLTEL to be your long-distance provider, you made the right call.

The information below is a brief overview of the ALLTEL services you requested. If you have any additional questions, please don't hesitate to contact our Customer Service Center at 1-888-9ALLTEL (1-888-925-5835).

- Calling Cards The enclosed cards are already activated. You can start using them today. Simply follow the directions listed on the card and use your assigned pin: 2087.
- International Dialing You'll find a quick reference card to help you call any country.
- Unlimited Long Distance Enjoy talking to who you want, when you want, no matter where in the country they are.

Our commitment to bringing you only the best in communications also allows us to offer you the latest in wireless, Internet and DSL technology. For more information on these and other services available stop by your favorite ALLTEL store, or visit us online at www.alltel.com.

Once again, thank you for choosing ALLTEL. We look forward to serving you for years to come.

Sincerely,

Ramona Richardson

Ramona Richardson
ALLTEL CUSTOMER SERVICE TEAM

ALLTEL Terms and Conditions available at www.alltel.com

^{*}Unlimited Long Distance: Unlimited Long Distance is for typical residential 1-plus direct-dialed calls for voice use only. Unlimited Long Distance may not be used for Internet access, telemarketing, auto-dialed calls, multi-party conference calls, calls to 900 numbers, directory assistance, calling cards, collect calls, operator services, international calling or toll-free calling services. If Alltel determines that usage is not consistent with typical residential voice service, includes excessive usage or usage predominantly during business hours, Alltel may immediately restrict use or change your long distance plan to the Dime All the Time plan. If any required component of the service bundle is discontinued, the account will convert to the Dime All the Time plan